

*Recd/Gen
G.A.*
SECRET

19 April 1955

MEMORANDUM FOR: Chief, Employee Services Division

SUBJECT : Exclusion from Taxable Gross Income of Salary Paid
Employees While on Sick Leave

1. As you are aware, the Internal Revenue Code of 1954 permits government employees to exclude from gross income, certain salary paid to them as sick leave compensation. In order to verify the salary so paid, the Baltimore District Director's Office has prepared a form which must be filled out by the taxpayer to substantiate the exclusion. This form requires, in part, a listing of the dates the employee was absent from work on sick leave and the amount paid for those days. In addition, it requires that the employer verify the absence from work by a certification.

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3. In the future when inquiries regarding this problem are referred to your Division, will you please advise the individual involved to complete the form and to obtain a memorandum addressed to this Office from the Payroll Division, Office of the Comptroller, verifying the information included. The form and the memorandum are then to be submitted to this Office and hand-carried to [redacted] who will accept our word that the information contained therein is accurate.

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Office of General Counsel

OGC [redacted]

Distribution: Orig & 1 - Addressee

1 - [redacted]
1 - General Tax File
1 - [redacted] Chrono.
1 - OGC 225 East

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